



February 2, 2007

HOUSE BILL No. 1710

DIGEST OF HB 1710 (Updated January 31, 2007 3:32 pm - DI 101)

Citations Affected: IC 26-1.

Synopsis: Dishonored check charges. Prohibits a bank from charging a fee for a dishonored check to any party other than the maker or drawer of the check.

Effective: July 1, 2007.

Herrell, Ruppel, Oxley

January 26, 2007, read first time and referred to Committee on Financial Institutions.
February 1, 2007, reported — Do Pass.

C
o
p
y

HB 1710—LS 7751/DI 110+



February 2, 2007

First Regular Session 115th General Assembly (2007)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2006 Regular Session of the General Assembly.

HOUSE BILL No. 1710

A BILL FOR AN ACT to amend the Indiana Code concerning commercial law.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 26-1-3.1-502.5 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 502.5. **(a) Except as**
3 **provided in subsection (b)**, a person to whom a check, a draft, an
4 order, or like instrument is tendered may, if the instrument is
5 dishonored or returned unpaid for any reason, charge and collect from
6 the maker or drawer, or the person for whose benefit the instrument
7 was given, an amount not to exceed twenty dollars (\$20) plus an
8 amount equal to the actual charge by the depository institution for each
9 returned or dishonored instrument. The charge shall not be considered
10 an interest charge, a finance charge, a time price differential, or any
11 charge of a similar nature.

12 **(b) If a check is dishonored, a bank may not charge any party**
13 **other than the maker or drawer of the check a fee in connection**
14 **with the dishonoring of the check.**

HB 1710—LS 7751/DI 110+



C
o
p
y

COMMITTEE REPORT

Mr. Speaker: Your Committee on Financial Institutions, to which was referred House Bill 1710, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

BARDON, Chair

Committee Vote: yeas 11, nays 0.

**C
o
p
y**

